



12 January 2016

**GREGGS plc
FOURTH QUARTER TRADING UPDATE**

***Greggs is the leading bakery food-on-the-go retailer in the UK,
with almost 1,700 retail outlets throughout the country***

A good finish to an excellent year

Financial year 2015*

- Total sales up 5.2% against comparable 52 weeks in 2014**
- Company-managed shop like-for-like sales up 4.7%
- Fourth quarter company-managed shop like-for-like sales up 2.3%
- 202 refits completed in 2015, plus 20 conversions of larger bakery cafés
- 122 new shops opened in the year, 74 closures
- 1,698 shops trading as at 2 January 2016
- Full year results anticipated to be in line with previous expectations

* 52 weeks ended 2 January 2016 (2014: 53 weeks to 3 January 2015)

** Statutory total sales for 2015 (52 weeks) up 3.7% against a 53 week year in 2014

Chief Executive Roger Whiteside comments:

“2015 saw us deliver another excellent year of progress as we continue to transform Greggs into a modern, well-invested food-on-the-go retailer.

“We anticipate that we will report full year results for 2015 in line with our previous expectations. In the year ahead we will continue with the implementation of our strategic plan to enable the business to compete more effectively in the food-on-the-go market.”

Trading update

For our 2015 financial year as a whole (52 weeks ended 2 January 2016) total sales grew by 5.2 per cent on a comparable 52 week basis and company-managed shop like-for-like sales grew by 4.7 per cent. As we expected, like-for-like sales growth slowed to 2.3 per cent in the fourth quarter as we came up against stronger comparatives and the impact of weaker footfall in some shopping locations. Sales over the Christmas period were in line with the overall trend for the fourth quarter.

Sales growth has been particularly strong in sandwiches and drinks, including our healthier options ‘Balanced Choice’ range including new salads and ‘no added sugar’ drinks. Our new hot food menu, with an improved hot sandwich range and fresh

soups, is also selling well as customers become increasingly aware of our new food-on-the-go options. Seasonal favourites such as our award-winning mince pies and Festive Bake made a strong contribution to sales over the Christmas and New Year period. Customer demand for breakfast-on-the-go continues to make this our fastest growing part of the day with sales of coffee continuing to grow strongly. We plan to add 'flat white' and an improved 'mocha' to our coffee menu early in the New Year.

During the year we opened 122 new shops (including 61 franchised units) and closed 74, growing the estate to 1,698 shops trading as at 2 January 2016. We now have 105 franchised shops operated by partners in travel and other convenience locations.

In 2015, we completed 222 shop refurbishments including the conversion of 20 of our larger bakery cafés to the "bakery food-on-the-go" format. This transformational programme continues to go well and we will invest at a similar rate in the year ahead.

Outlook

Since our last update, trading has been broadly consistent with our plans and we anticipate that we will report full year results in line with our previous expectations when we make our preliminary announcement on 1 March 2016.

In the year ahead we will continue with the implementation of our strategic plan to transform the business so that it can be ever more competitive in the food-on-the-go market, whilst also driving efficiencies and adding capacity for further sustainable growth.

ENQUIRIES:

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